

Statement on Anti-Money Laundering and Sanctions Policies and Procedures

The Royal Bank of Scotland's (RBS) ambition is to be No 1 for Customer Service, Trust and Advocacy. ['Our Code'](#) defines our culture of ethical behaviour and how we conduct business to support this ambition. RBS supports this aim by participating in international efforts to counter money laundering and terrorism financing.

Please click [here](#) for information on the RBS legal entity structure.

1 Anti Money Laundering (AML) Programme

To facilitate compliance with anti-money laundering (AML) and counter terrorism financing laws, RBS has developed and implemented an AML programme consisting of an AML policy, procedures, internal systems and controls. The AML programme includes, but is not limited to:

- The identification of potential AML risks relevant to RBS's activities;
- Established AML policy and local procedures to ensure compliance with AML laws and regulations;
- Customer identification and verification;
- The identification of beneficial owners;
- The identification and risk assessment of Politically Exposed Persons;
- Enhanced due diligence for high-risk clients;
- Internal procedures for monitoring and reporting suspicious activities;
- Relevant procedures for reporting suspicious activities to the designated and appropriate financial intelligence unit;
- Screening customers against relevant financial sanctions lists;
- The retention of relevant records in line with the RBS's regulatory obligations in the jurisdictions in which it operates and in line with the RBS's internal policy requirements;
- The provision of advice and management reports to senior management regarding compliance with AML laws and regulations;
- Regular staff training and awareness, as appropriate to the role, including training of senior management;
- The promotion of effective compliance through a range of independent assurance testing and audit activity to provide appropriate oversight and follow-up actions in the event of non-compliance;
- The management of regulatory inquiries and incidents

2 – Legal and Regulatory Framework

Our AML programme is based on the laws, regulations and regulatory guidance in place in the various jurisdictions in which we operate. In the UK, these include:

- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
- The Criminal Finances Act 2017
- The Proceeds of Crime Act 2002 (as amended by the Serious Organised Crime and Police Act 2005 and the Proceeds of Crime Act 2002 (Amendment) Regulations 2007)

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- The Terrorism Act 2000 and the Anti-Terrorism, Crime and Security Act 2001 (as amended by subsequent counter-terrorism legislation)
- FCA Handbook; in particular Senior Management Arrangement, Systems and Controls
- Joint Money Laundering Steering Group Guidance

Where RBS operates within a country or jurisdiction whose local regulations or laws impose higher standards for client acceptance and AML than the RBS global AML policy, the requirements and standards of the local regulations will be met.

Compliance with the AML policy and procedures is monitored across RBS using a number of methods including audit and focused reviews by AML specialists. In addition, RBS has a variety of automated systems and controls designed to monitor various elements of AML compliance, including payments, transactions and customer identification and due diligence.

3 Sanctions Programme

RBSG has procedures and policies designed to comply with the requirements of the EU, UK and US sanctions regimes globally. In addition, in all countries where RBSG entities operate, local law and sanctions lists are also complied with.

RBSG takes a prohibitive stance towards transactions and relationships for persons located in countries subject to comprehensive sanctions or owned or controlled by persons in such countries. RBSG does not have any subsidiaries or branches in countries subject to comprehensive sanctions.

Any accounts identified as held by EU or UK designated persons are frozen in accordance with the applicable regulations. RBSG is not subject to ownership or control by persons subject to EU, UK and US sanctions nor are any subsidiaries or branches.